SHRI M. ARUNACHALAM: As far as the particular district is concerned, I have no information as it is with me. If the U.P. Government approaches the Centre, we will consider it.

SHRI BIR BHADRA PRATAP SINGH: Sir, the Minister may not have knowledge about the particular districts. But my first part of the question is whether there has been any rationale in this categorisation? I ask this question because there are sugar mills in no industry districts in case there are sugar mills, for instance, in B or C categories. Then what is there to distinguish. I do not know whether there has been any rationale in putting these categories. Anyway, the question is of granting incentives and subsidies. Now, the whole trouble lies because subsidy is part of the incentive. Supposing Jaunpur gets 23 per cent subsidy and Azamgarh district gets 10 per cent, private investors will not go there, because there is no infrastructure. My question is what actually are the steps you are going to take to create that infrastructure so that even if the Government do not establish industries, at least the private investors can go there?

SHRI M. ARUNACHALAM: Sir. as far as the question of infrastructure development is concerned, we have asked the State Government to identify growth centres, two centres in each 'No industry' district. We are giving assistance. The State Government has also to participate in creating infrastructural facilities.

श्री चतुरानन मिश्र: सभापति महोदय, उत्तर प्रदेश बहुत सौभाग्यशाली है कि उसको पब्लिक सेक्टर के कारखाने मिले हैं। मैं यह जानना चाहता हूं कि जहां कहीं प्राइवेट क्षेत्र में कारखाने दिये गये हैं या बैकवर्ड एरियाज में दिये गये हैं, क्या लेटर आफ इंटेन्ट या लायसेन्स देने के अतिरिक्त कोई मोनीटर करने की भी पद्धति है जिससे यह पता चल सके कि वे समय पर काम कर रहे हैं या जो सबसीडी दी गई है उसका दुरुपयोग तो नहीं कर रहे हैं ? क्या सेन्ट्रल लेवल पर मोनीटर करने की कोई पद्धति है ?

SHRI M. ARUNACHALAM: Sir, the disbursement is being done by the State Governments. The State Governments have to monitor the subsidy scheme.

श्री कल्पनाथ राय: आदरणीय सभापति जी, उत्तर प्रदेश हिन्दुस्तान का सबसे पिछड़ा प्रान्त है और उसमें भी उत्तर प्रदेश का पूर्वी प्रदेश सबसे ज्यादा पिछड़ा है। हमारे उद्योग मंत्री महोदय ने कुछ केटेगराइजेशन किया है। उत्तर प्रदेश में ऐसे भी जिले हैं जिनकी आबादी 40–42 लाख है। लेकिन हिन्दुस्तान में ऐसे भी प्रान्त हैं जिनकी आबादी 5 या 6 लाख है। ऐसी स्थिति में जिस प्रान्त में अनेक जिले 40 और 42 लाख की आबादी के हों तो उनको पिछड़ा क्षेत्र मानने का आधार क्या है ? उत्तर प्रदेश की स्थिति तो यह है कि वहां पर अनेक जिले 6–7 लाख से भी अधिक की आबादी के हैं। ऐसी हालत में मैं यह जानना चाहता हूं कि पिछड़े और विकसित इलाकों का फार्मूला सारे देश की दृष्टि से क्या है ?

SHRI M. ARUNACHALAM: Sir, it is a long answer. If the hon. Member wants, I can read it. Otherwise I can pass it on to him.

MR. CHAIRMAN: Give him that. it is all in the book. Next question.

Import of bulk drugs

*282. SHRI RAJNI RANJAN SAHU: Will the Minister of INDUSTRY be pleased to state:

(a) what was the total import of bulk drugs and drug intermediates during the last three years, yearwise;

(b) whether it is also a fact that the country has capabilities. and technology to meet in full the requirements of a number of bulk

drugs and intermediates import of which is allowed freely under OGL; and

(c) if so, what are the names of those drugs and what steps are being taken by Government to save valuable foreign exchange?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETRO-CHEMICALS IN THE MINISTRY OF INDUSTRY (SHRI R. K. JAICHANDRA SINGH): (a) to (c) A statement is laid on the Table of the Rajya Sabha.

Statement

(a) Total imports of bulk drugs, intermediates, chemicals and solvents during the last 3 years to the extent available are given below:—

(Rs. crores in terms of cif)

Years	Imports
1983-84	158.73
1984-85	204.42
1985-86	250.03

(b) the technological base in the country for the production of bulk drugs and intermediates is well diversified and all steps are directed to achieve self-sufficiency. Which of the bulk drugs and intermediates should be imported under OGL isi determined from time to time on the basis of indigenous capacity, actual production and prices.

(c) The name of the bulk drugs specifically listed for imports under OGL in Appendix 6 list 8 part (1) of the Import and Export Policy 1985-88 are given in the Statement at Annexure. (*See* below). Steps taken, *inter-alia*, to increase their production and prevent import are:—

(i) Industrial approvals are liberally accorded for the production of the drugs in question.

(ii) Import of technology is allowed on merits.

Annexure

Name of the Item
1. Amobarbitol
2. Amoxacillin Sodium
3. Amphetamine Sulphate
4. Ampicillin Sodium
5. Barbitol
6. Betamethasone and its salts.
7. Chloramphenicol Stearate and Chloramphenicol Sodium Succinate
8. Chlorhexidine base
9. Chlorpheniramine Maleate
10. Chloroquin Sulphate
11. Cortisone acetate
12. Dexamethasone
13. Dimenhydrinate
14. Dimethyl Chlorotetracycline
15. Ephedrine Hydrochloride
16. Erythromycin ethyl succinate
17. Estradiol Benzoate
18. Ethinyal estradiol
19. Ethisterone
20. Frusemdie (Furosemide)
21. Griseofulvin
22. Halothane including Halothane in bottles
23. Hydrocortisone
24. Hydrocrotisone acetate
25. Indomethacin
26. Kanamycin
27. Mandelic acid
28. Mebavarine Hydrochloride
29. Mebendazole
30. Nikethamide

Name of the Item
31. Nitrazepam
32. Oestradiol
33. Oxytocin
34. Panthenol
35. Pethidine Hydro-chloride
36. Phenetoin Sodium and Diphenyl Hydantoin
37. Pheniramine Maleate
38. Prednisolone
39. Prednisone
40. Pregrenolone
41. Primidone
42. Pyrazinamide
43. Rifampicin
44. Salbutamol
45. Secobarbitone
46. Secobarbitone Sodium
47. Sulphadimethoxine
48. Sulphafurazole
49. Terbutaline Sulphate
50. Theophyllines
51. Tindiazole
52. Vitamin B-6 (Pyridoxin HCL/ Pyridoxin base) and intermediates of Pyridoxin

श्री रजनी रंजन साहू : सभापति महोदय, जो स्टेटमेन्ट टेबल पर ले हुआ है उसमें हमेशा की तरह गोलमोल उत्तर है । मेरा आपसे निवेदन है कि . . . (**व्यवधान**) ।

श्री अटल बिहारी वाजपेयी : उत्तर गोलमोल है या उत्तर में गोलमाल है ?

श्री रजनी रंजन साहू : उत्तर गोलमोल है । मेरा आपसे निवेदन है कि आप मंत्री महोदय को प्रोटेक्ट करने के बजाय हमारी मदद कीजिये क्योंकि देश के समक्ष दवाओं के सबध में दो प्रमुख मुद्दे हैं । एक तो यह है कि लोगों को सस्ती दवाएं कैसे मिल सकें और दूसरी बात यह है कि देश के फारन एक्सचेन्ज की बचत कैसे हो सके । उत्तर से यह जाहिर होता है कि इम्पोर्ट बढ़ता जा रहा है । आयात को रोकने के लिए प्रश्नाधीन औषधों के उत्पादन के लिए औद्योगिक अनुमोदन आसानी से दिये जाते हैं और गुणदोष के आधार पर प्रौद्योगिकी काआयात अनुमेय किया जाता है । श्रीमन् इस बात की जानकारी है कि हमेशा उत्पादन क्षमता . . . (**व्यवधान**) ।

MR. CHAIRMAN: Please put your question instead of giving information.

श्री रजनी रंजन साहू : मेरा कहना यह है कि क्षमता के अनुसार हमेशा उत्पादन कम होता है । मुझे इस बात की जानकारी है और मैं मंत्री महोदय को बताना चाहूंगा कि आई० डी० पी० एल० जिसकी क्षमता अनलजीन के लिए है और एस० टी० सी० को तीन सौ टन की आवश्यकता थी वह नहीं दे सकी । इसलिए मैं यह जानना चाहता हूं कि फारन एक्सचेन्ज की बचत के लिए आप क्या कर रहे हैं . . . (**व्यवधान**) ।

MR. CHAIRMAN: Two minutes over. The Minister should get up and reply on whatever he has asked. Please sit down.

SHRI R. K. JAICHANDRA SINGH: Sir. I have mentioned in my statement that a number of factors are involved. The reason for importing some of the major bulk drugs is that sometimes the cost of indigenous production is high. And the Government will have to look not only from the angle of supporting the indigenous production in our country but also from the price angle, in respect of which we do allow imports of some drugs so that we can have a reasonable price, and that is more so from the consumer angles. For example, there is Penicillin-G which is in great demand in our country. We are allowing imports of Penicillin-G

to uses of 6 APA from two angles, one from the lack of supply — there is a big gap between supply and demand—and also from the price angle. A number of incentives have been given to the indigenous producers. I have listed some already in Part 'C' of my answer. The others are like this: A number of bulk drugs have been identified by the manufacturers and are allowed minimum economic capacity; we have allowed some of these units to go up to a certain limit so that the production increases and the cost goes down. Then, in May/June, 1985, 94 bulk drugs and intermediates were delicensed for production in the country. This is another step. Then, registrations with the DGTD are freely allowed to companies other than FERA and MRTP companies. Then, import of technology involving one-time payment, that is lumpsum payment, royalty payment, etc. are allowed depending on merits. These are some of the measures which we have taken to encourage indigenous production in the country.

WELCOME TO NETHERLANDS' PARLIAMENTARY DELEGATION

MR. CHAIRMAN: Hon. Members, I have an announcement to make. We have with us this morning, seated in the Special Box, Members of a Parliamentary Delegation from the Netherlands which is currently on a visit to our country under the distinguished leadership of His Excellency Dr. D. Delman, Speaker of the Second Chamber of the States General of the Netherlands. The other Members of the Delegation are:

1. Dr. Bert De Vries;
2. Mr. Thijs Weltgens;
3. Mr. Erwin Nyoels;
4. Mr. Robin Linschoten;
5. Jonkheer Govert Van Tets;
6. Dr. Henk Waltmans.

On behalf of the Members of the House and on my own behalf, I take pleasure in extending a very hearty welcome to the Leader and other Members of the Delegation and wish our distringuished guests a very enjoyable and fruitful stay in our country. We hope that during their stay here they would be able to see and learn more about our parliamentary system, our country and our people. Through them we convey our greetings and best wishes to the Members of the States General and the friendly people of the Netherlands

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ORAL ANSWERS TO QUESTIONS— Contd.

श्री रजनी रंजन साहू : मैं मंत्री महोदय से जानना चाहूंगा कि दवाओं के मामले में हम लोग सेल्फ सफिशियट कब तक होंगे इसके लिए कोई निश्चित समय आपने निर्धारित किया है ? और दूसरे यह कि क्या जनता को कम से कम कीमतों पर दवाएं उपलब्ध हो सकेंगी ?

SHRI R. K. JAICHANDRA SINGH: Sir, the question of self-sufficiency is a very wide-ranging question because, as you know, in the drugs and pharmaceuticals world, a number of new drugs are being introduced. A drug which was introduced ten years ago as become obsolete. Therefore, on the question of a particular country being self-sufficient on drugs, I don't think any country in the world is self-sufficient on its own. Each one of us will have to depend on something or the other, on same drug or the other on the other parts of the world. And, Sir, about the export-import balance, I may just say for the benefit of the hon. Members in the House that the exports in our country during the last three years have risen from Rs. 205 crores to Rs. 296 crores in 1984-85, and they came down slightly to Rs. 253 crores in 1985-86. The corresponding figures for imports are like this: As against Rs. 205 crores of exports in 1983-84, the imports were of the order of Rs. 158 crores. Therefore, the export

figure has gone up much more than the import figure. In 1984-85, as against Rs. 296 crores of exports, the imports were Rs. 204 crores. So, the exports were much more. Again in 1985-86, the export was marginally more; as against Rs. 253 crores, it was Rs. 250 crores of imports.

SHRI NIRMAL CHATTERJEE: Mr. Chairman, Sir, my question has got three aspects. One is, in respect of the items which are imported, what are the prices in the country of manufacture and what is the difference between those prices and the cif prices here? The second is, in respect of the items which are listed here, in how many of them do we have excess capacity in production and despite that we have imported? And the third is, are there any items in this list which are banned in any of the countries of the world?

SHRI R. K. JAICHANDRA SINGH: Sir, I will not be able to give you a very comprehensive list. Sir, as you know there are 347 bulk drugs and four thousand formulations sold in 20,000 packages. I can mention a few. There are 11 major bulk drugs which we have identified. These are the major bulk drugs which are being imported. I have the figures here. The ampicillin sodium is there. But if the hon. Member has any particular drug in his mind...

MR. CHAIRMAN: His point is, is the price of imported drugs within the country very much higher than the price in the domestic market?

SHRI R. K. JAICHANDRA SINGH: As I said, the prices vary. It will depend on a particular medicine, on a particular drug. It will all depend on that. Sometimes the international price keeps on fluctuating.

MR. CHAIRMAN: The second question is whether there is excess production capacity in the country and yet drugs are being imported?

SHRI R. K. JAICHANDRA SINGH: As I said, it will all depend on a particular drug, what capacity for which drug we have. I can just give one or two...

MR. CHAIRMAN: You must be more specific.

SHRI R. K. JAICHANDRA SINGH: I can just give one or two examples.

MR. CHAIRMAN: If you have any specific drug in mind...

SHRI NIRMAL CHATTERJEE: What I said, I need not be specific because...

MR. CHAIRMAN: If you have, he will give the answer.

SHRI NIRMAL CHATTERJEE: Why I am not specific is because in the case of many of these items there is excess capacity within the country. Now instead of fully utilising it than under-utilising it, does mean higher prices and because of under-utilisation there is a higher price and, at the same time, the items are being imported to reduce their price.

SHRI R. K. JAICHANDRA SINGH: Sir, the hon. Member would very well remember that the cost of production in our country is high. That is one of the reasons why most of the producers are not producing these medicines or not utilising the maximum capacity. One of the main reasons is that the market in certain drugs has been low and that is one of the reasons why are availability question has come up and I have said on a number of occasions that we are coming up with a number of new measures which will help the drug producers to utilise the maximum capacity.

SHRI VISHWA BANDHU GUPTA: Mr. Chairman, Sir, this question of drugs has come up again and again. I would like to know from the hon. Minister whether there is a specific programme of research on development of drugs so that they can be more easily and indigenously produced and what is the quantum of money that we are spending on it

because that will be a good idea to save foreign exchange and spend more of our own money on research.

SHRI R. K. JAICHANDRA SINGH: Sir, as you know, there are only a few companies in the public sector, the IDPL, the HAL and a few Bengal companies. Most of the drug companies which number around eight thousand in our country, more than 99.9 per cent of them, belong to the private sector and they have earmarked a certain percentage for their research and development work. Some of them are not doing well. Some are not. Sir, the small scale units naturally cannot afford to spend more money on research and development. But in the country as such we do not have a policy in this, but we are taking care to see that the public sector companies are spending more on the research and development work on this.

SHRI VISHVJIT PRITHVIJIT SINGH: Mr. Chairman, Sir, at the start I would like to correct the Hon. Minister, when he said that we do not have a policy on research. We do have a policy for research. We have given incentives which are available to every sector of industry in the country. The Government has provided incentives whereby expenditure on research is offset against certain amount of taxation, provided the research laboratory is approved by the Department of Science and Technology. Sir, this time should not be counted in my two minutes. Now, Sir, the imports have been going up over these years. I do not think, there is anything alarming in the imports going up because we are a developing country and, therefore, import of drugs is necessary in our country. As the hon. Minister has said just now, no country can produce all the drugs within the country. Import of drugs is bound to take place.

But the problem as far as I am concerned is in regard to exports. Now, the Hon. Minister has blandly stated that the exports are Rs. 205 crores, Rs. 296 crores, Rs. 253 crores and so on. But I would like to know from the hon. Minister, how much of these exports have been to the hard currency areas, because, imports are totally from the hard currency areas? The exports are, as far as I am aware, only to the rupee payment countries, with no foreign exchange earning. Therefore, I would like to know from the hon. Minister, what is the percentage. I am given to understand that over 90 per cent is to the rupee payment areas. That is why, I would like to know from the hon. Minister, what is the exact percentage?

SHRI R. K. JAICHANDRA SINGH: Sir, I would need a separate notice for this. But I would like to say that recently, a committee has been formed to study the question of increasing exports In fact, we ourselves have set a target of an additional Rs. 100 crores. Recently, when I visited Bombay, the drug manufacturers met me and said that even this target was very conservative and that they would even exceed this target. Therefore, there is a rosy picture.

DR. G. VIJAYA MOHAN REDDY: Mr. Chairman, Sir, I would like to point out that the drug industry has been sold out to the muti-nationals. As my friend has rightly said, we do not have any drug policy. The fact is, a number of drugs are being manufactured in India itself. The Hathi Committee report was submitted in 1975. But no action has been taken so far on this. There are the expert committee reports from the World Health Organisation which say that only 200 generic drugs are necessary and even this particular advice has not been acted upon. Now, we have 40,000 brand names. Where is the question of quality control when so many drugs are being manufactured? These drugs are mostly manufactured by the multi-nationals and their collaborators who are dumping a number of useless drugs into the market and making a lot of money.

MR. CHAIRMAN: What is your question?

DR. G. VIJAYA MOHAN REDDY: I would like to know, what action has been taken on the Hathi Committee recommendations and on the reports of WHO expert committees? What action Government propose to take to introduce generic names and also in regard to nationalising all the multinational drug companies so that drugs can be sold to the people at cheaper rates?

SHRI J. VENGAL RAO: Sir, as far as the drug policy is concerned, all the reports are under the consideration of the Government and very soon....

SHRI ATAL BIHARI VAJPAYEE: Sir, would you kindly ask the hon. Minister as to when this report was submitted? (*Interruptions*)

SHRI J. VENGAL RAO: Sir, kindly ask them to hear me. Sir, we will announce the drug policy very soon. Within a few days, we will be announcing it.

SHRI G. SWAMINATHAN: Sir, the hon. Minister has just now said that the drug policy will be announced very shortly. I would like to know, when the drug price policy, which is a part of the drug policy, will be announced. Because the drug policy has not been annuonced over a period of years, the manufacturers do not know what to manufacture. Ultimately, irrationality comes in. In the case of Category III drugs, which are not essential, more weightage has been given, than in the case of Category I and II drugs. Consequently, manufacturers are not getting profits on formulations which are most essential for the country and and they are getting profits on formulations which are not very essential for the country. In the area of bulk drugs also, it has been found that the profit which is given to the manufacturers is very insufficient and, therefore, they are not willing to manufacture these drugs which are very essential for the country. I would like to know whehther the drug price policy will be announced very soon? The hesitation on the part of the Government is creating a lot of confusion in the minds of the manufacturers. Then, the question has been raised about these 200 generic drugs recommended by the WHO technical committee. It has been confused by many of these people that 40,000 brand names are there in this country. WHO has selected about 220 important drugs to be essential for any country in the world. There are thousands of companies in India manufacturing these essential drugs in different brand names. Hence, if you multiply the number of companies into the number of esssential drugs, it will come to many thousands of formulations in brand names. When soaps are allowed to have brandnames, why can't the drug names also be allowed to have brand names?

SHRI R. K. JAICHANDRA SINGH: Pricing, it is true, forms a very important part of any policy on drugs, it will be taken into consideration. Pricing will also be part of the new measures which are going to be announced.

MR. CHAIRMAN: Next Question.

Raw material for making aerated water

*283. SHRI SURESH KALMADI:†
SHRI DHARAM CHANDER PRASHANT:

Will the Minister of INDUSTRY be pleased to refer to the answer to Starred Question 142 given in the Rajya Sabha on the 28th July, 1986 and State:

(a) what is the import value (CIF) raw materials for making aerated water concentrates in the country for the last 5 yeas;

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†The question was actually asked on the floor of the House by Shri Suresh Kalmadi.